

Mr. SCHNEEBELI. This seems to be the general pattern then, doesn't it?

Mr. HOBBS. It is true in Italy where the system is government-owned. In Switzerland the system is owned I believe by the cantons, which are regional governmental bodies. They would not think of buying anything except of Swiss manufacture.

The Italians occasionally have bought turbines and large equipment, but Italian purchases are good examples of what I referred to as prototype purchases. I know that at least on one occasion the Italians bought a steam turbine generator from Westinghouse and one of their manufacturing companies received from us a license to copy that machine in the future. In effect, they bought the first one of that size and efficiency but no more.

This is a general pattern. It applies to the countries of northern Europe. The Japanese systems I believe are investor-owned, but they are very responsive to tight government controls on where they buy their equipment.

Mr. SCHNEEBELI. This restriction not only applies to the United States; it applies to importing from any other nation?

Mr. HOBBS. That is right. The French won't buy a British machine, and the British will not buy a French machine.

Mr. SCHNEEBELI. So it is not applied to us particularly.

Mr. HOBBS. The only reason it particularly applies to us is while they can't sell in any other developed country markets, they can sell in our market, but we can't sell in theirs.

Mr. SCHNEEBELI. In that connection my next question is have you gone the route of the antidumping provisions in trying to protect yourselves against this?

Mr. HOBBS. We are now intensively making studies to see if we can present an antidumping action. The trouble is that none of the purchasing data in the foreign countries is published. It is all done by private negotiations. The bids are not opened publicly, and you practically have to get a detective to find out the prices at which they sell this equipment in their own countries.

We are accumulating some of that information. We have had people over there for the past year or so trying to do just what you are saying. We think we have evidence of dumping at least from one of the countries, but this will present us a problem because our industry in the last couple of years has been at the peak of a buying cycle.

Our plants are well loaded so we may have difficulty this year, last year, maybe next year, in establishing that we were injured by this dumping. It will depend on the legal standard of what constitutes injury in our case.

Mr. SCHNEEBELI. I notice that Farranti in England has been getting a lot of our business. Is the United Kingdom responsible for most of the purchases of that company in 1967?

Mr. HOBBS. I won't say most of them. They were responsible for a large share of these purchases.

Mr. SCHNEEBELI. What percentage of our market in 1967 was foreign purchases?

Mr. HOBBS. It varies by type of equipment. We are only talking here specifically about three basic types—large turbine generators, large power transformers, and the large power circuit breakers. American